

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

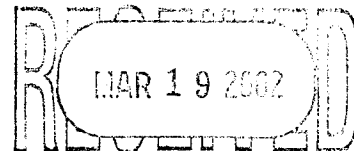
ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

S

W-02481A
SERVICEBERRY WATER COMPANY
P. O. BOX 876
TAYLOR AZ 85939-

ANNUAL REPORT

ARIZONA CORPORATION
COMMISSION



Director of Utilities

FOR YEAR ENDING

12	31	2001
----	----	------

FOR COMMISSION USE

ANN04	01
-------	----

Processed by:

3-19-02 CMC

SCANNED

COMPANY INFORMATION

Company Name (Business Name) SERVICEBERRY WATER

Mailing Address P.O. BOX 876
TAYLOR AZ 85939

Email Address

Local Office Mailing Address P. O. BOX 426
LAKE SIDE AZ 85929

Local Office Telephone No. (Include Area Code) (928)537-8739 Fax No. (Include Area Code) (928)536-5431 Pager/Cell No. (Include Area Code) (928)532-6941/(928)521-7128

Email Address

MANAGEMENT INFORMATION

Management Contact: MARK GRAPP, OWNER
P.O. BOX 876
TAYLOR AZ 85939

(928)537-8739	(928)536-5431	(928)532-6941/(928)521-7128
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)

Email Address

On Site Manager: MARK GRAPP, OWNER
P.O. BOX 876
TAYLOR AZ 85939

(928)537-8739	(928)536-5431	(928)532-6941/(928)521-7128
Home Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)

Email Address

Statutory Agent: NOT APPLICABLE

Attorney: NOT APPLICABLE

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☒ **Sole Proprietor (S)**

C Corporation (C) (Other than Association/Co-op)

Partnership (P)

Subchapter S Corporation (Z)

Bankruptcy (B)

Association/Co op (A)

Receivership (R)

Limited Liability Company

Other (Describe)

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☒ **APACHE**

COCHISE

COCONINO

GILA

GRAHAM

GREENLEE

LA PAZ

MARICOPA

MOHAVE

NAVAJO

PIMA

PINAL

SANTA CRUZ

YAVAPAI

YUMA

STATEWIDE

SERVICEBERRY WATER**UTILITY PLANT IN SERVICE**

Account No.	Original Cost	Accumulated Depreciation	O.C.L.D.
301 Organization Cost			
302 Franchise Cost			
303 Land and Land Rights	20,000.00		20,000.00
304 Structures and Improvements	2,590.00	1,251.50	1,338.50
307 Wells and Springs	9,490.00	4,616.50	4,873.50
311 Electric Pumping Equipment	4,500.00	2,925.00	1,575.00
320 Water Treatment Equipment			
320.1 Water Treatment Equipment			
320.2 Solution and Chemical Feeders			
330 Distribution Reservoirs & Standpipe	2,976.00	1,446.20	1,529.80
330.1 Storage Tanks			
330.2 Pressure Tanks			
331 Transmission and Distribution Mains	22,207.50	9,850.14	12,357.36
333 Services	164.00	29.60	134.40
334 Meters	719.00	254.75	464.25
335 Hydrants			
339 Plant Structures and Improvements			
340 Office Furniture and Fixtures			
341 Transportation Equipment			
343 Tools and Work Equipment			
344 Laboratory Equipment			
344 Laboratory Equipment			
345 Power Operated Equipment			
346 Communications Equipment			
347 Miscellaneous Equipment			
348 Other Tangible Plant			
TOTAL WATER PLANT	62,646.50	*20,373.69	42,272.81

*This amount goes on the Balance Sheet Acct. No. 108

SERVICEBERRY WATER**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization Cost			Not depreciable
302	Franchise Cost			Not depreciable
303	Land and Land Rights	20,000.00		Not depreciable
304	Structures and Improvements	2,590.00	3.33%	86.00
307	Wells and Springs	9,490.00	3.33%	316.00
311	Electric Pumping Equipment	4,500.00	20.00%	900.00
320	Water Treatment Equipment		3.33%	
330	Distribution Reservoirs & Standpipe	2,976.00	3.61%	107.00
331	Transmission and Distribution Mains	22,207.50	2.00%	444.00
333	Services	164.00	3.33%	5.00
334	Meters	719.00	8.33%	60.00
335	Hydrants		5.00%	
339	Plant Structures and Improvements		6.67%	
340	Office Furniture and Fixtures		5.00%	
341	Transportation Equipment		5.00%	
343	Tools and Work Equipment		5.00%	
344	Laboratory Equipment		5.00%	
344	Laboratory Equipment		5.00%	
345	Power Operated Equipment		5.00%	
346	Communications Equipment		5.00%	
347	Miscellaneous Equipment		5.00%	
348	Other Tangible Plant		3.33%	
	TOTAL WATER PLANT	62,646.50		*1,918.00

*This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

SERVICEBERRY WATER

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 617.05	\$ 1,296.45
134	Working funds	\$ -	\$ -
135	Temporary Cash Investments	\$ -	\$ -
141	Customer Accounts Receivable	\$ 346.69	\$ 743.52
146	Notes/Receivables from Associated Companies	\$ -	\$ -
151	Plant Material and Supplies	\$ -	\$ -
162	Prepayments	\$ -	
174	Miscellaneous Current and Accrued Assets	\$ -	\$ -
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 963.74	\$ 2,039.97
	FIXED ASSETS		
101	Utility Plant in Service	\$ 62,646.50	\$ 62,646.50
103	Property Held for Future Use	\$ -	\$ -
105	Construction Work in Progress	\$ -	\$ -
108	Accumulated Depreciation - Utility Plant	\$ (18,455.69)	\$ (20,373.69)
121	Non-Utility Property	\$ -	\$ -
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 44,190.81	\$ 42,272.81
	TOTAL ASSETS	\$ 45,154.55	\$ 44,312.78

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

SERVICEBERRY WATER

BALANCE SHEET (CONTINUED)

Acct No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ -	\$ -
232	Notes Payable (Current Portion)	\$ -	\$ -
234	Notes/Accounts Payable to Associated Companies	\$ -	\$ -
235	Customer Deposits	\$ 1,200.00	\$ 1,600.00
236	Accrued Taxes	\$ -	\$ -
237	Accrued Interest	\$ -	\$ -
241	Miscellaneous Current and Accrued Liabilities	\$ -	\$ -
	TOTAL CURRENT AND ACCRUED LIABILITIES	\$ 1,200.00	\$ 1,600.00
	LONG TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ -	\$ -
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ -	\$ -
252	Advance in Aid of Construction	\$ -	\$ -
255	Accumulated Deferred Investment Tax Credits	\$ -	\$ -
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions	\$ -	\$ -
281	Accumulated Deferred Income Tax	\$ -	\$ -
	TOTAL LIABILITIES	\$ 1,200.00	\$ 1,600.00
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ -	\$ -
211	Paid in Capital in Excess of Par Value	\$ -	\$ -
215	Retained Earnings	\$ -	\$ -
213	Proprietary Capital (Sole Props and Partnerships)	\$ 43,954.55	\$ 42,712.78
	TOTAL CAPITAL	\$ 43,954.55	\$ 42,712.78
	TOTAL LIABILITIES AND CAPITAL	\$ 45,154.55	\$ 44,312.78

SERVICEBERRY WATER

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 8,824.50	\$ 7,685.57
460	Unmetered Water Revenue		
474	Other Water Revenue	\$ 60.00	\$ 60.00
	TOTAL REVENUES	\$ 8,884.50	\$ 7,745.57
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 3,191.15	\$ 2,840.00
610	Purchased Water		
615	Purchased Power	\$ 573.73	\$ 474.99
618	Chemicals		
620	Repairs and Maintenance	\$ 589.08	
621	Office Supplies and Expense	\$ 500.07	\$ 411.91
630	Outside Services	\$ 1,474.43	\$ 774.96
635	Water Testing	\$ 345.00	\$ 1,058.12
641	Rents		
650	Transportation Expenses	\$ 61.34	\$ 334.02
657	Insurance - General Liability	\$ 51.65	\$ 59.04
659	Insurance - Health and Life	\$ 60.04	
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	\$ 1,131.96	\$ 431.14
403	Depreciation Expense	\$ 2,132.33	\$ 1,918.00
408	Taxes Other Than Income	\$ 362.75	\$ 793.09
408.11	Property Taxes	\$ 415.85	\$ 288.90
409	Income Tax	\$ 415.85	
	TOTAL OPERATING EXPENSES	\$ 11,305.23	\$ 9,384.17
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income		
421	Non-Utility Income	\$ 7,500.00	
426	Miscellaneous Non-Utility Expenses	\$ (7,800.00)	
427	Interest Expense	\$ 81.64	
	TOTAL OTHER INCOME/EXP	\$ (218.36)	
	NET INCOME/(LOSS)	\$ (2,202.37)	\$ (1,638.60)

SERVICEBERRY WATER

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End \$1,600.00

Meter Deposits Refunded During the Test Year \$ 0.00

SERVICEBERRY WATER

WATER COMPANY PLANT DESCRIPTION

WELLS					
ADWR ID Number	Pump Horsepower	Pump Yield (gpm)	Casing Size (inches)	Casing Depth (feet)	Meter Size (inches)
55-0511289	3	25	6	400	N/A

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or obtained (thousands)
N/A		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.)= 1177

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2	1	0	0

STORAGE TANKS		PRESSURE TANKS	
CAPACITY (gals)	QUANTITY (how many)	CAPACITY (gals)	QUANTITY (how many)
10,000	1	120	1

STATISTICAL INFORMATION

Total number of customers 16

Total number of gallons sold 1,176,960 gallons

SERVICE BERRY WATER

YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following: *(Not applicable - Sole Proprietorship pays*

Federal Taxable Income Reported *it's taxes based on Owner's Schedule C*

Estimated or Actual Federal Tax Liability *income.)*

State Taxable Income Reported

Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

3-13-02
DATE

Mark Crapp
PRINTED NAME

owner
TITLE

SERVICEBERRY WATER

YEAR ENDING 12/31/2001

WATER AND SEWER
UTILITIES ONLY

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$288.90

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

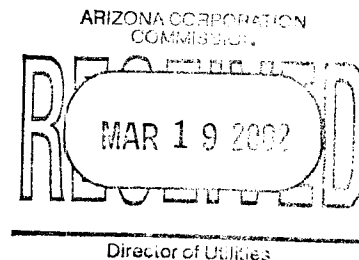
If no property taxes paid, explain reasons below:

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

County of NAVAJO



I, MARK GRAPP, THE UNDERSIGNED OWNER OF THE SERVICEBERRY WATER COMPANY
DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

	MONTH	DAY	YEAR
FOR THE YEAR ENDING	12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only
\$ 8,229.79 BILLED
(THE AMOUNT ABOVE INCLUDES
\$460.29 IN SALES TAXES BILLED)

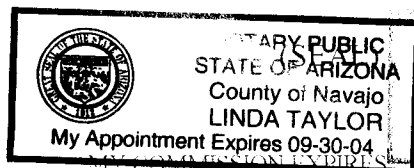
**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)


SIGNATURE OF OWNER

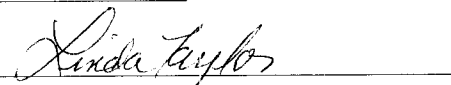
(928)536-5431
TELEPHONE NUMBER

*REVENUE REPORTED ON THIS PAGE IS BASED ON ACTUAL AMOUNT BILLED, WHEREAS REVENUE IN FINANCIAL STATEMENT IS BASED ON CASH RECEIPTS DURING THE YEAR. THERE WAS \$8,229.79 BILLED; \$7,685.57 RECEIVED IN PAYMENTS DURING 2001. FOR A DIFFERENCE OF \$544.22. BOOKS ARE KEPT ON CASH BASIS, NOT ACCRUAL. SALES TAXES ARE PAID MONTHLY ON AMOUNTS RECEIVED.

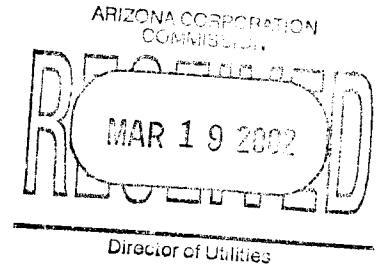
SUBSCRIBED AND SWORN TO BEFORE ME, A NOTARY PUBLIC IN AND FOR THE COUNTY OF
NAVAJO THIS 13 DAY OF MARCH, 2002.



NOTARY PUBLIC
STATE OF ARIZONA
County of Navajo
LINDA TAYLOR
09-30-04


SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only



VERIFICATION

STATE OF ARIZONA

County of NAVAJO

I, MARK GRAPP, THE UNDERSIGNED OWNER OF THE SERVICEBERRY WATER COMPANY
DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

	MONTH	DAY	YEAR
FOR THE YEAR ENDING	12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Residential Revenues
\$7,807.07 BILLED
(THE AMOUNT ABOVE INCLUDES
\$444.65 IN SALES TAXES BILLED)

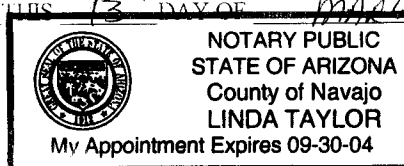
**REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED.

*REVENUE REPORTED ON THIS PAGE IS BASED ON ACTUAL AMOUNT BILLED. WHEREAS REVENUE IN FINANCIAL STATEMENT IS BASED ON CASH RECEIPTS DURING THE YEAR. THERE WAS \$7,807.07 BILLED; \$7,389.73 RECEIVED IN PAYMENTS DURING 2001. FOR A DIFFERENCE OF \$417.34. BOOKS ARE KEPT ON CASH BASIS, NOT ACCRUAL. SALES TAXES ARE PAID MONTHLY ON AMOUNTS RECEIVED.

SIGNATURE OF OWNER
(928)536-5431

SUBSCRIBED AND SWORN TO BEFORE ME, A NOTARY PUBLIC IN AND FOR THE COUNTY OF
NAVAJO THIS 13 DAY OF MARCH, 2002.

(SEAL)


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES:

SERVICEBERRY WATER COMPANY 01 F48632
MARK E. GRAPP
P.O. BOX 426
LAKESIDE, AZ 85929-0426

2034

Date 10-15-2001

91-1701221 AZ
8595

Pay to the
Order of

Apache Co.

\$288.90

Two hundred eighty eight & 90/100 Dollars

Bank of America



ACH RT 122101706

For 942 90 900

[Signature]

1221017061 000094007923 2034 00000028890

GUARDIAN SAFETY BLUE WBL

10/29/01 E2427 01 P01
3150249089

WFB TEMPE, AZ 10262001
TRACER 1842 016
PAY TO THE ORDER OF
WELLS FARGO BANK, N.A.
PHOENIX, AZ 85017
122105278

10 24 20 01

FOR DEPOSIT ONLY
APACHE COUNTY TREASURER
ACCT # 0529790115

DO NOT WRITE
PRESERVE FOR

0083 60527

ENDORSE HERE